

not besmirch the names of men in high places at a preliminary inquiry, and secondly, that he did not feel called upon at this stage of the inquiry to give information which would permit criminals to escape or information to be destroyed.

Mr. Lawson repeated his public assertions that Congress was "wallowing in the mire" of stock speculation, and declared that members of Congress were wise dealers in stock, but he did not accuse them of benefiting by advance information on official action, and persistently refused to make any personal charges or make public the name of anyone, official or otherwise.

He cleared the State Department and White House of any "leak" on the peace note so far as his knowledge was concerned, but insisted that there had been a "leak," that there had been advance information in Wall Street for years on Supreme Court decisions, President's messages, and congressional matters which were used to the advantage of stock gamblers. Regarding Supreme Court leaks, the witness, when questioned closely, stated that he meant to insinuate no irregularity against the justices themselves, stating that he had never heard of a Supreme Court justice talking about a decision in advance.

SUBPOENAS ISSUED FOR OTHER WITNESSES

The committee issued subpoenas today for F. M. Lockwood, a New York broker, and Alfred H. Curtis, former president of the National Bank of North America. Representative Chipfield had been informed that Alfred H. Curtis was the man who wrote Representative Wood the letter regarding Bernard Baruch and Secretary Tamm, but this Mr. Curtis has denied.

Present at the hearings today and waiting to testify were Otto Kahn, of Kuhn, Loeb & Co.; Charles H. Sabin, president of the Guaranty Trust Company of New York; Bernard Baruch, and newspaper men summoned in connection with the publication of the peace note. They will be called to testify tomorrow.

When the hearing opened, Representative Campbell, Republican, moved that the committee subpoena F. M. Lockwood & Co., brokers, 1618 Broadway, New York, to bring papers and documents showing sales from December 19 to 25. The committee decided to consider in executive session, on Monday, the question of subpoenaing Chipfield, the Boston Stock Exchange was ordered to preserve its brokers' slips for the same period.

TAMM QUESTIONED BY COMMITTEE MEMBERS

Joseph P. Tamm, secretary to President Wilson, was then called and read his prepared statement, which is published elsewhere.

Chairman Henry announced that he had no questions to ask.

Representative Campbell then questioned Mr. Tamm.

"Do you know who added in the preparation of this note?" he asked.

"The President prepared and wrote the note himself," said Mr. Tamm. "It is an exact copy of the original in his own handwriting, in addition to his official signature."

"Did any stenographer or clerk in the executive office know of the existence of the note?"

"I do not know."

Mr. Tamm added that he had tried to find out how a leak could have occurred, but had been unable to get any definite information.

"The mere mechanics of preparing the note might make it possible for it to get out," he said.

"At my knowledge that a note had been given out from the Associated Press, correspondent at the White House on the afternoon of December 29. He told me when I returned from lunch that the note had been given out. I asked him what note, and he said the peace note."

"Have you any information as to how the leak occurred?" Mr. Campbell asked.

"I have none," Mr. Tamm replied. "Any opinion I might have about how the leak occurred would be speculative, and would involve reputations. I am very careful about making statements in such circumstances."

Mr. Tamm added he did not think the leak could be traced through any one, and he was not an executive officer.

NEWARK EDITOR REFERS TO MYSTERIOUS A. CURTIS

He then read a letter from L. T. Ross, editor of the Newark Morning Ledger, referring to the mysterious "A. Curtis," who wrote Representative Wood, author of the investigation resolution.

"What prompts me to write," said the letter, "is I have on my list the name of Curtis has brought in as having written the Wood letter using your name, and I recall that on a number of occasions, under various suspicious circumstances, I have been in Newark. I have received telephone calls from New York, from a man calling himself 'A. Curtis,' and alleging himself to be a member of Congress. In each case he undertook to give me this or that piece of what was happening, not only in the financial and industrial world, but on one occasion called me on telephone to tell me that he had good reason to believe that Dorothy Arnold was in Orange, N. J. He told me that the Strand of Gold strike he called almost daily, giving what purported to be inside information and also predicting future developments. I made considerable inquiry, but could never identify or locate A. Curtis."

Representative Campbell asked Mr. Tamm if he knew that Mr. Wood asked for an executive session to make his statement in Mr. Tamm's name.

"I wish you wouldn't ask me anything about Mr. Wood," replied Tamm, hesitatingly.

"I would be ashamed to be a party to anything that would bludgeon the reputation of a public man on a note written by a man named Curtis. If I were guilty of such a crime, I would not be fit to hold the smallest public office."

Here, Representative Chipfield interrupted with objections, and after an exchange between him and Representative Harrison, of Mississippi, Mr. Tamm said:

"I know that Mr. Wood wanted the matter brought out in private, and for that I thank him."

SENT IN SEALED ENVELOPE BY PRIVATE MESSENGER

Representative Lenroot asked how the President sent the peace note to the Secretary of State. Mr. Tamm said it was transmitted in a sealed envelope by private messenger.

"Do you know that Alfred H. Curtis, of 15 West Twenty-ninth street, New York, was, in fact, the author of the letter written to Representative

Wood?" asked Representative Chipfield.

"I do not."

"Do you know that Alfred H. Curtis was formerly president of the National Bank of North America, with which Charles A. Morse and others were associated?"

"I do not."

"You are well acquainted with Bernard Baruch?"

"Yes, sir."

"When did you last see him?"

"At the Gridiron dinner in Washington, December 8. Mr. Tamm replied: 'Did you come closely in contact with him there?'"

"I sat about five seats away from him, and exchanged greetings with him."

"Did you have any private conversation with him?"

Mr. Chipfield then said there were things not mentioned in Mr. Tamm's letter which he wished to question him about.

"Go as far as you like," said Mr. Tamm.

"Do you know J. R. Reagan, proprietor of the Knickerbocker Hotel, in New York?"

"I do not," said Tamm.

Asked if he ever had any business transactions with W. R. Hibbs & Co., Washington brokers, or had ever frequented their place of business, Mr. Tamm said he had there once.

INTRODUCED MR. GERARD TO LOCAL STOCK BROKER

Before Ambassador Gerard returned to Germany recently, said Tamm, "he wanted to buy some bonds, and wanted to know a man whom I could recommend. I introduced Mr. Gerard to Mr. Hibbs."

"When was that, in reference to when the peace note was sent?"

"Some time before it was sent," replied Tamm.

Questioned further by Chipfield, Tamm said that he did not know the date of the peace note nor when it was transmitted to Secretary Lansing by the President.

Mr. Tamm was then excused.

The committee decided to subpoena Alfred H. Curtis.

Secretary Lansing then took the witness stand.

"Possibly I had better start," said Secretary Lansing, "by stating that I assume that confidential communications between the President and myself are not a part of the inquiry. I can give you a physical history of the note. The draft of the note was received by me from the White House at 1 o'clock Monday afternoon. I called Mr. Polk, counselor for the department, and Mr. Woodley, law adviser attached to my office, and discussed the three forms in which the note had to be prepared and sent forth. I then handed it to Mr. Woodley, enjoining strict secrecy, that he might take it to the three confidential stenographers. There it was to be prepared and delivered to Mr. Salmon, chief of the index bureau."

"The index clerk was to encipher the note, and said that it would take so long to cipher the three notes that he could have to have an assistant. I directed that he engage his most confidential man for the work. He did so, and was given the copies, and the two men locked themselves in the room. They were given the copies at 5 o'clock, and at 2:30 Tuesday morning, December 29, the notes were enciphered, delivered to the telegraph room and sent."

DECIDE WHAT TIME NOTE SHOULD BE MADE PUBLIC

On Tuesday afternoon I discussed with the President the time when the note should be made public. The reason for secrecy was the courtesy due to the nations who were to receive the note that it should not be published here before they received it. We decided it would take at least two days for it to reach Austria and Roumania, and we decided it should be made public on Thursday morning. Tuesday evening about 6 o'clock a copy of the note was handed to Mr. James, chief of the information bureau. He at once took it up with the printing office.

"It was read by one man and then sent to the printing office."

"At about 11 o'clock, I received the newspaper correspondents, and told them that I would have an important communication for them at 5 o'clock, to be released the next morning. I told them in confidence, as I was afraid its contents might come back from Europe in garbled form, and I did not wish to make it public until it had been received by the country to which it was addressed."

"I told them it did not contain any proposal of peace nor offer of mediation."

"That evening at my house Ambassador Willard (to Spain) told me he had been advised of the contents of the note by the President, and discussed the advisability of him addressing Spain on the subject. The next morning the note was made public in the press."

Mr. Lansing said he could not recall the name of any man present at his conference with newspaper men. Neither did he know who handled the note at the government printing office.

"When was the first attempt made to clear it up and hold the proceedings in executive session?"

Lansing assented, shook his pointed finger at Chipfield's eyes and loudly declared he was an American citizen and would see to it that he and his rights. Jerry Smith, clerk of the House, pulled Mr. Lawson back into his chair until order could be restored.

Lansing declared that all he had said in the press regarding the leak, he believed to be true.

"I repeat it all now," declared Lansing. "It is one of the commonest things in Wall Street to advance information from Washington about government affairs, affairs of such importance that they frequently affect the country's securities. A man also leaks from the Supreme Court, advances information on decisions, advance information on important Senate matters, action of congressional committees, Cabinet affairs and advance information direct from the White House itself."

Lansing declared that in two years the American people had been robbed of thirty or forty billions.

Referring to the day the leak occurred, he said the "fraud inflated" market was ready to burst. He said he knew who was responsible for the leak, and that when they saw the havoc they had caused, they tried to make him the goat. He said that he was convinced the committee did not want an investigation.

TOLD BY COMMITTEE TO PUT UP OR SHUT UP

"After I came to Washington to aid in an honest investigation only to have been lambasted out of me as soon as the committee, I was told to 'put up or shut up,'" said Lawson. "What difference did it make to this committee or this Congress whether the little private citizen from Boston put up or shut up about a matter almost as important as the European war is to England or Germany or France?"

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"After order had been restored, Chairman Henry interrupted Mr. Lawson and said: 'You must conduct yourself—'"

"I know," Lawson broke in, "that you are going to try to stop me from saying things you think I have no right to say, and what shall I do?"

Chairman Henry then said that the "lid was off" so far as concerned any confidential conference with him.

Representative Chipfield reminded Mr. Lawson of his book, "Frenzied Finance."

"Good help me, I'm sorry I ever wrote Frenzied Finance, and that it was not the Representative from Illinois who wrote it. It cost me many a dollar."

"You nor any one else can not intimidate me," exclaimed Lawson. "I will say what I've got to say."

After order had been restored, Chairman Henry admonished Mr. Lawson that both he and the committee must respect one another's rights.

"You stated that there was a leak," said Chairman Henry. "Will you give the committee the name of the person who carried the leak to Wall Street from Washington?"

WOULD VIOLATE CONFIDENCE TO GIVE IDENTITY OF LEAK

Lawson replied that he never had been a beneficiary, and that the only way he could give the identity of the "leak" would be to violate a confidence.

"I go without saying that if I knew the names you could not get them from me."

"Do you know any names?" Henry asked.

"Not in a legal sense."

"Do you know of any in any sense?" Henry asked.

"I know there was a leak," Lawson said, "and knowing there was a leak, I must have some information."

"Do you know persons who profited on the day of the leak?" Henry asked.

"I probably do," Lawson said, "I probably profited myself." He declined to say how much he profited.

Lawson admitted that he knew of no one at the White House who was connected with "leak."

Asked if he knew of any State Department employee who might have been responsible for the "leak," Mr. Lawson said:

"I have no information regarding any one in the State Department which I would give in public. I would give it to the chairman. But you don't need any more information than you have to warrant an investigation."

Lawson said he could not give names "in a court knowledge way, but could give names that were given to him by people he considered responsible. He declined to give them, however."

The committee then took a recess until 2 o'clock.

Before the afternoon session began the committee issued subpoenas for F. M. Lockwood, New York stock broker, and Alfred H. Curtis.

When Mr. Lawson resumed testifying this afternoon, Chairman Henry advised him that Charles H. Sabin, president of the Guaranty Trust Company of New York, called as a witness at Lawson's suggestion, desired to leave tomorrow for Europe. Mr. Lawson said he thought Sabin should be examined regarding a statement he was said to have made just before the arrival of Ambassador Gerard in this country recently regarding peace negotiations. Gerard was said to have carried, which caused the market to drop perceptibly. Within a few days after the arrival of Gerard, Lawson said a German submarine appeared off Newport and sank several ships.

"It was generally accepted in the district," Mr. Lawson said, "that Mr. Sabin had some knowledge from Washington. I am not prepared to say whether it was about the 'leak' or peace."

Asked by Mr. Henry how long he desired to remain in Europe, Mr. Sabin said about two months.

The committee decided Sabin would not be excused until Lawson had finished testifying.

LAWSON INTERESTED IN STOCK MARKET

Representative Campbell, of Kansas, asked Mr. Lawson if he were not interested in the stock market.

"Oh, yes," Lawson replied.

"Have you developed a preference for either side?"

"No; during the last two years I have been a bear, in the last two weeks a bull."

"Which side of the market do leaks affect?"

"Either side."

"What did you mean when you referred to Supreme Court leaks this morning?"

"I meant advance information regarding decisions got to the street, and that it might have come through officers or attaches of the court," said Lawson.

"Do you mean to include the justices of the court?"

"Oh, no, I have never even heard of justices talking about decisions in advance."

"Have you in mind any specific instances?"

"No, but there have been a number of important railroad and labor cases, the decisions on which were known in advance. It has been a matter of common knowledge in financial circles."

Lawson told the committee that a member of Congress had told him that a member of the Cabinet had speculated on the falling market caused by the leak, but he flatly refused to give the committee the name of the Cabinet official or of the member of Congress who told him.

Asked about other leaks, Lawson said the President's messages were always known in advance in Wall Street. "When these documents are given in confidence," said Lawson, "some people who get them pass them about the street two or three days in advance."

Another sort of a leak, he said, was where somebody went into the street to "peddle" advance information regarding important government affairs. These men might be confidential clerks, or others who might get the information in its physical preparation.

INFORMATION FREQUENTLY PASSED ON TO OTHERS

"Another sort of a leak," he continued, "is when some executive officer of the government, some Cabinet official or member of the Senate or House may be interested in stocks or bonds, acquiring information that will affect the market, passes the information on to his friends."

Representative Campbell again pressed Lawson for names in connection with a "leak," but got none.

"I have been told," said Lawson, "and by a member of Congress, that a member of the Cabinet speculated on this market."

"Who told you that and who was the member of the Cabinet?" asked Representative Campbell.

"I am not going to answer," said Lawson determinedly.

Representative Campbell declared that the committee had the power to compel him to answer.

"When I say that the name was given to me in confidence on honor not to be repeated, do you still insist upon an answer?" Lawson asked.

"Yes," said Mr. Campbell.

"Well, I shall not answer," said Lawson. "It seems to me that it could serve no good purpose to use the name of a high official of the government at a time when it might bring serious consequences to the people and to the nation and perhaps to the administration itself."

Representative Chipfield then moved to report Lawson to the House for contempt, as after getting the motion into the record, withdrew it temporarily, while Lawson went on to give his "formula" for finding the "leak." It embraces chiefly a plan for bringing the sales slips of the stock exchange before the committee.

SNOWDEN TOOK NO ADVANTAGE OF INFORMATION

NEW YORK, January 8.—Albert A. Snowden, of this city, who says he is the man referred to by Secretary Lansing as the "A. L. Snowden," who was present at his conference with newspaper men in respect to President Wilson's note, denied here today that he had taken any advantage of the information he overheard, although he was aware, he said, of the use that could be made of it. He said he is at present an international broker, his business dealings, he explained, having to do only with neutral countries.

"I had an appointment with Secretary Lansing on the morning in question," Mr. Snowden said, when shown a copy of the secretary's testimony, "and stood about six or eight feet from him when he made the announcement to the newspaper men. Immediately thereafter I was introduced to him. He gave the business information I sought, which had nothing whatever to do with the peace note."

"While nothing was said to me personally by Secretary Lansing about treating his communication to the newspaper men in confidence, I knew, of course, that that was the proper way to treat it, and so did. At the same time being trained in such matters, I could instantly see that the information was the greatest advance financial news since the founder of the house of Rothschild galloped away from Waterloo to bear the news of Napoleon's defeat to his group in London."

"Walking away from the secretary's office I tried to figure out in my own mind the extent to which the paper value of American wealth would shrink on the publication of the note, and estimated it at \$200,000,000,000."

At the offices of F. M. Lockwood & Co., brokers, in this city, it was stated by a member of the firm that there was no one of the name of F. M. Lockwood now with the company. He was formerly head of the firm, it was said, but died some time ago. No one connected with the firm knew anything about the "leak," it was stated, and there must be some mistake.

SCULLY WINS IN NEW JERSEY

Board of Canvassers Decides Disputed Election in Third District in Favor of Democrat.

TRENTON, N. J., January 8.—The board of canvassers today decided the disputed election in the Third Congressional District by giving a certificate of election to Thomas J. Scully, Democrat. On the face of the original

anything about your statement?" asked Representative Bennett.

"Very improbable."

Representative Bennett, addressing Mr. Lansing, said the latter had stated he never had speculated, and asked: "For that reason, isn't it possible that you gave little thought to the effect some statement made by you might have on the stock market?"

"I never gave it a thought," said the secretary.

ANXIOUS TO PRESERVE COURTESY DUE TO FOREIGN NATIONS

"It never entered my mind. I was merely anxious to preserve the courtesy due to foreign nations in the matter."

"Did you know Mr. Snowden?" asked Bennett.

"Not at that time."

"Was he a rather large man, connected with the National Manufacturers' Association?"

"I think so."

"With Snowden practically a stranger to you, did it occur to you that he might make use of the information?" asked Bennett.

"I didn't know he was there."

"Where was the conference with Ambassador Willard?"

"At my house on Tuesday evening."

Secretary Lansing later explained that Ambassador Willard sent a message to Spain on Wednesday afternoon.

Questioned further about his conference with the newspaper men, Secretary Lansing said:

"My statements regarding the note were entirely negative. I said nothing whatever about a request for terms having been made. I gave no details. I stated that at 5 o'clock they would be able to get an important communication sent to belligerent governments. I said that it was not a proposal of peace or an offer of mediation. Then I explained the reason I wished them to preserve confidence. I knew the note was in the hands of the printer, and wanted to guard against any more rumors that might get out."

In response to questions by Representative Chipfield, Mr. Lansing said that three messages later were sent to American diplomatic representatives abroad.

Representative Chipfield questioned Mr. Lansing regarding the two statements he made to the press explaining the note on Thursday after the note had been made public. He said the first was made at 9 o'clock in the morning and the second in the afternoon.

"Were these statements made entirely on your own initiative?" asked Chipfield.

LANSING PROTESTS AGAINST QUESTION

"See here," Secretary Lansing protested, "that is very beyond the scope of this investigation."

Chairman Henry told Secretary Lansing he would not need to disclose any confidential information.

"Such a matter has not the slightest pertinence to this inquiry or the effect of a leak on the stock market," said Representative Garrett.

After a lively discussion among members of the committee over the propriety of Representative Chipfield's line of questioning, Chairman Henry stated that the secretary need not answer.

Secretary Lansing said he did not know if representatives of Wall Street papers were present at his conference with newspaper men. Neither did he know the duties of the Wall Street Journal representative present.

Thomas W. Lawson was the next witness.

Chairman Henry told Lawson that he might "proceed in his own way for the present," Lawson asked if he might be stopped at any point in his discourse.

Mr. Henry said that would depend entirely on whether he confined himself to the subject before the committee.

"My name is Thomas W. Lawson," he said. "My home is Boston. My occupation, you might say, is that of a farmer."

The crowd laughed.

"I don't say I am a farmer to be facetious," Lawson said. "In a way I also am connected with financial matters."

"I will give testimony," said Lawson, "regarding the damnable condition which has existed for two years for the purpose of finding remedy for conditions which caused hundreds of thousands of persons to be driven to emigrate homes."

LAWSON PLIES INFO IN RAGE WHEN INTERRUPTED

Lawson flew into a rage after he had proceeded for half an hour, when interrupted by Representative Chipfield. He declared he proposed to say all he had to say regardless of consequences.

"What's the penalty," he shouted, "and I'll take it in advance." The committee-room was in an uproar and Representative Henry threatened to clear it and hold the proceedings in executive session.

Lansing assented, shook his pointed finger at Chipfield's eyes and loudly declared he was an American citizen and would see to it that he and his rights. Jerry Smith, clerk of the House, pulled Mr. Lawson back into his chair until order could be restored.

Lansing declared that all he had said in the press regarding the leak, he believed to be true.

"I repeat it all now," declared Lawson. "It is one of the commonest things in Wall Street to advance information from Washington about government affairs, affairs of such importance that they frequently affect the country's securities. A man also leaks from the Supreme Court, advances information on decisions, advance information on important Senate matters, action of congressional committees, Cabinet affairs and advance information direct from the White House itself."

Lansing declared that in two years the American people had been robbed of thirty or forty billions.

Referring to the day the leak occurred, he said the "fraud inflated" market was ready to burst. He said he knew who was responsible for the leak, and that when they saw the havoc they had caused, they tried to make him the goat. He said that he was convinced the committee did not want an investigation.

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